

Local Government Act 1972

Borough of North Tyneside

16 February 2017

At the Extraordinary meeting of the Council of the Borough of North Tyneside duly convened and held on Thursday 16 February 2017 at 6.00pm in the Chamber at Quadrant at which a quorum of members were present, that is to say:

Present

Councillor D McGarr (In the Chair)
N Redfearn (Elected Mayor)

Councillor A Austin	Councillor N J Huscroft
Councillor K Barrie	Councillor C Johnson
Councillor G Bell	Councillor K Lee
Councillor L Bell	Councillor F Lott
Councillor K Bolger	Councillor W Lott
Councillor B Burdis	Councillor M Madden
Councillor C Burdis	Councillor P Mason
Councillor J Cassidy	Councillor Mrs P McIntyre
Councillor D Cox	Councillor D McMeekan
Councillor S L Cox	Councillor A McMullen
Councillor N Craven	Councillor L Miller
Councillor EN Darke	Councillor T Mulvenna
Councillor L Darke	Councillor A Newman
Councillor S Day	Councillor K Osborne
Councillor D Drummond	Councillor J O'Shea
Councillor P Earley	Councillor A Percy
Councillor R Glindon	Councillor C B Pickard
Councillor S Graham	Councillor M Rankin
Councillor I Grayson	Councillor M Reynolds
Councillor M A Green	Councillor L Spillard
Councillor M Hall	Councillor J Stirling
Councillor J L L Harrison	Councillor M Thirlaway
Councillor E F J Hodson	Councillor A Waggott-Fairley
Councillor Janet Hunter	Councillor J I Walker
Councillor John Hunter	Councillor Mrs J A Wallace
Councillor M Huscroft	Councillor F Weetman

C75/02/17 Apologies

Apologies for absence were received from Councillors J Allan, A Arkle, P Brooks, K A Clark, C Davis, G Madden and P Oliver.

C76/02/17 Declarations of Interest and Dispensations

The Chair advised Members that their declarations of interest and dispensations continued from the last meeting. Members who had any further interests for this meeting that had not previously been declared on 2 February 2017 were invited to declare them.

There were no further declarations of interest made.

C77/02/17 2017-2020 Financial Planning and Budget Process: 2017/18 Budget and Council Tax Requirement Submission to the Authority

The Chair explained the procedure for the meeting, this being that the Chair would request Councillor Glindon to move the Elected Mayor and Cabinet's proposals. Once those proposals were seconded, Members would be given an opportunity to ask questions relating to only new information contained in the report and the Mayor's final amendment that had been circulated. Objections would then be taken from the Conservative Group and Liberal Democrat Group in that order.

The report of the Head of Finance (Chief Financial Officer) had been circulated to all Members of the Council.

The report set out the Cabinet's proposals for the 2017/18 General Fund Revenue Budget, Council Tax Requirement and Council Tax level, the Treasury Management Statement and Annual Investment Strategy for 2017/18 and the 2017-2020 Investment Plan, including prudential indicators.

The following additional documents had been also circulated to all Members of the Council:

- Notification of Final Amendments made under Delegated Authority of the Mayor
- Conservative Group Notice of Objection
- Liberal Democrat Group Notice of Objection

It was moved by Councillor R Glindon and seconded by Councillor Pickard that:

- (1) Council agree the recommendations, authorisations and delegations set down in paragraph 1.5.32 of the report in relation to the 2017/18 General Fund Revenue Account Budget, the 2017/18 Council Tax Requirement and Council Tax level for 2017/18, being the Elected Mayor and Cabinet's Budget and Council Tax Requirement Resolution;

Council agree the following resolution:

1. The recommended budgets of the Authority, be approved as noted below subject to the variations listed in paragraphs 2 and 3 below and notes the estimated allocation of £145.830m in Dedicated Schools Grant, for 2017/18:

General Fund Revenue Budget	£ 152,360,276
Total	<u>152,360,276</u>

2. The following levies be included in the net budget requirement:

	£
The Tyne and Wear element of the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Transport Levy	11,375,236
Tyne Port Health Authority	46,072
Environment Agency	185,117
Northumberland Inshore Fisheries and Conservation Authority	<u>133,793</u>
Total	<u>11,606,425</u>

3. The contingency provision be set as follows:

	£
Contingency Provision	1,377,000
Total	<u>1,377,000</u>

4. It be noted that at its meeting held on 25 January 2017 Cabinet agreed the Council Tax Base for 2017/18 for the whole Authority area as 58,202 (Item T), in the Formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act") and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
5. It be agreed that the Council Tax requirement for the Authority's own purposes for 2017/18 is £84,402,764 (as set down in paragraph 1.5.31, Table 6).
6. The following amounts now calculated by the Authority for the year 2017/18 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended (the Act) be agreed:
- (a) £347,450,458 Being the aggregate of the amounts which the Authority estimates for the items set out in Section 31A(2) of the Act.
- (b) £263,047,694 Being the aggregate of the amounts which the Authority estimates for the items set out in Section 31A(3) of the Act.
- (c) 84,402,764 Being the amount by which the aggregate at 6(a) above exceeds the aggregate at 6(b) above, calculated by the

Authority in accordance with Section 31(A)(4) of the Act, as its Council Tax requirement for the year (Item R in the formula in Section 31B of the Act).

- (d) £1,450.17 Being the amount at 6(c) above (Item R), all divided by Item T (4 above), calculated by the Authority, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

(e) North Tyneside Council Valuation Bands

Council Tax Band	£
A	966.78
B	1,127.91
C	1,289.04
D	1,450.17
E	1,772.43
F	2,094.69
G	2,416.95
H	2,900.34

being the amounts given by multiplying the amount at 6(e) above by the number which, in the proportion set out in Section 5(1) of the Act 1992, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Authority, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

(f) Police and Crime Commissioner for Northumbria Valuation Bands

It be noted that for the year 2017/18 the Police and Crime Commissioner for Northumbria have issued the following amounts in precepts to the Authority, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings in the Authority's area as indicated below:

Council Tax Band	£
A	65.55
B	76.48
C	87.40
D	98.33
E	120.18
F	142.03
G	163.88
H	196.66

(g) Tyne & Wear Fire and Rescue Authority Valuation Bands

It be noted that for the year 2017/18 the Tyne and Wear Fire and Rescue Authority have issued the following amounts in precepts to the Authority, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings in the Authority's area as indicated below:

Council Tax Band	£
A	51.75
B	60.37
C	69.00
D	77.62
E	94.87
F	112.12
G	129.37
H	155.24

(h) Total Valuation Bands

That, having calculated the aggregate in each case of the amounts at 6(e), 6(f) and 6(g) above, the Authority, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2017/18 for each part of its area and for each of the categories of dwellings shown below:

Council Tax Band	£
A	1,084.08
B	1,264.76
C	1,445.44
D	1,626.12
E	1,987.48
F	2,348.84
G	2,710.20
H	3,252.24

7. The Authority's relevant basic amount of council tax for 2017/18 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, as amended.
8. The Authority's Financial Regulations will apply to the financial management of this Budget.
9. The level of contingencies will be £1.377m as pressures incurred during 2016/17 have been recognised as part of the 2017/18 Financial Planning and Budget process.

It is proposed that virement levels and approvals for virement shall be in accordance with the rules set down in the Authority's Financial Regulations in force at the time.

10. The Reserves and Balances Policy as set out in the report to full Council on 2 February 2017, is adopted as set down and is subject to review at least annually.
11. The Chief Executive, in consultation with the Elected Mayor, Deputy Mayor, Cabinet Member for Finance and Resources and the Senior Leadership Team manage the overall Creating a Brighter Future Programme and it be noted that decisions made under this delegated authority will be reported to Cabinet as part of the regular budget monitoring information provided.
12. The Chief Executive, in consultation with the Elected Mayor and Head of Finance, authorise the purchase of properties, on the open market, providing value for money is demonstrated and the cost can be contained within existing financial resources of the Authority (this is to ensure the programme of delivery of affordable homes and homes at market rent is progressed in line with the Cabinet's priorities).
13. The Chief Finance Officer be authorised to serve notices, enter into agreements, give receipts, make adjustments, institute proceedings and take any action available to the Authority to collect or enforce the collection of non-domestic rate and Council Tax from those persons liable.
14. The Chief Finance Officer be authorised to disburse monies from funds and accounts of the Authority as required for the lawful discharge of the Authority's functions.
15. It be agreed that the Police and Crime Commissioner for Northumbria and the Tyne and Wear Fire and Rescue Authority receive payment from the Collection Fund in 12 equal instalments on the last working day of each month.
16. Payments from the Collection Fund be made to the Authority's General Fund in 12 equal instalments on the last working day of each month.

2017-2020 Investment Plan

The Cabinet's proposals for the 2017-2020 Investment Plan, set out in sections 1.5.6 to 1.5.9 in the report, be approved.

Conservative Group Objection

An objection was then moved by Councillor J Wallace and seconded by Councillor A Austin, as set out in Appendix 1 to these minutes.

Members asked questions on the Conservative Group objection. The objection was then debated.

Votes for the Conservative Group Objection

Councillors A Austin, K Barrie, E Hodson, P Mason, P McIntyre, L Miller, and J Wallace.

Votes against the Conservative Group Objection

N Redfearn, Elected Mayor, Councillors G Bell, L Bell, K Bolger, B Burdis, C Burdis, J Cassidy, D Cox, S L Cox, N Craven, EN Darke, L Darke, S Day, D Drummond, P Earley, R Glindon, S Graham, I Grayson, M A Green, M Hall, J L L Harrison, Janet Hunter, John Hunter, M Huscroft, N J Huscroft, C Johnson, K Lee, F Lott, W Lott, M Madden, D McGarr, D McMeekan, A McMullen, T Mulvenna, A Newman, A Percy, C B Pickard, M Rankin, M Reynolds, L Spillard, J Stirling, M Thirlaway, A Waggott-Fairley, J I Walker and F Weetman

(Note: Councillors K Osborne and J O'Shea were not in attendance at the time the vote was taken).

The objection, on being put to the meeting, was defeated by 45 votes to 7 votes.

Liberal Democrat Group Objection

An objection was then moved by Councillor M Huscroft and seconded by Councillor N J Huscroft, as set out in Appendix 2 to these minutes.

Members asked questions on the Liberal Democrat Group objection. The objection was then debated.

Votes for the Liberal Democrat Group Objection

Councillors M Huscroft and N J Huscroft.

Votes against the Liberal Democrat Group Objection

N Redfearn, Elected Mayor, Councillors A Austin, K Barrie, G Bell, L Bell, K Bolger, B Burdis, C Burdis, J Cassidy, D Cox, S L Cox, N Craven, EN Darke, L Darke, S Day, D Drummond, P Earley, R Glindon, S Graham, I Grayson, M A Green, M Hall, J L L Harrison, E Hodson, Janet Hunter, John Hunter, C Johnson, K Lee, F Lott, W Lott, P Mason, D McGarr, P McIntyre, D McMeekan, A McMullen, L Miller, T Mulvenna, A Newman, A Percy, C B Pickard, M Rankin, M Reynolds, L Spillard, J Stirling, M Thirlaway, A Waggott-Fairley, J I Walker, J Wallace and F Weetman

(Note: Councillors M Madden, K Osborne and J O'Shea were not in attendance at the time the vote was taken).

The objection, on being put to the meeting, was defeated by 49 votes to 2 votes.

The Chair announced that as the Council had not agreed the Conservative Group or Liberal Democrat Group objections, Members were invited to speak on the Elected Mayor and Cabinet's proposals (the substantive motion).

Votes for the Elected Mayor and Cabinet's Proposals (the substantive Motion)

N Redfearn, Elected Mayor, Councillors G Bell, L Bell, K Bolger, B Burdis, C Burdis, J Cassidy, D Cox, S L Cox, N Craven, EN Darke, L Darke, S Day, D Drummond, P Earley, R Glindon, S Graham, I Grayson, M A Green, M Hall, J L L Harrison, Janet Hunter, John Hunter, C Johnson, K Lee, F Lott, W Lott, D McGarr, D McMeekan, A McMullen, T Mulvenna, A Newman, A Percy, C B Pickard, M Rankin, M Reynolds, L Spillard, J Stirling, M Thirlaway, A Waggott-Fairley, J I Walker and F Weetman

Votes against the Elected Mayor and Cabinet's Proposals (the substantive Motion)

Councillors M Huscroft and N J Huscroft

Abstentions in respect of the Elected Mayor and Cabinet's Proposals (the substantive Motion)

Councillors A Austin, K Barrie, E Hodson, P Mason, P McIntyre, L Miller and J Wallace

(Note: Councillors M Madden, K Osborne and J O'Shea were not in attendance at the time the vote was taken).

The substantive motion, on being put to the meeting, was approved by 42 to 2 votes, with 7 abstentions.

The Chair announced that the Elected Mayor and Cabinet's Budget and Council Tax Requirement Resolution for 2017/18 had been approved by the Council and therefore the meeting provisionally scheduled for 28 February 2017 was no longer required.

North Tyneside Council
Report to Council
Date: 16 February 2017

**Title: 2017-2020 Financial
Planning and Budget Process:
Conservative Group Notice of
Objection**

Report of: The Conservative Group

Wards affected: ALL

Conservative Group Notice of Objection for the 2017/18 General Fund Revenue Budget, the proposed Council Tax Level for 2017/18, the Investment Plan for 2017-2020 and the Treasury Management Statement and Annual Investment Strategy for 2017/18

1.0 Introduction

This year's budget process is set against the background of a stronger, growing economy thanks to the Conservative Government's excellent stewardship of the country's finances in recent years. The UK was the fastest growing economy of the G7 countries last year, and we welcome ever rising levels of employment and job creation. The Conservative Government gave the people the chance to have their say on our membership of the EU in a referendum – and there is now a renewed sense of purpose and optimism following their democratically expressed wish to leave the failed EU project and embrace the opportunities which Brexit will offer us as a nation.

However, we acknowledge that in the field of Social Care, there is an unprecedented level of demand facing all councils. As a result we accept the 3% precept levied to pay for this vital area of the Council's work, and indeed we are proposing additional funding.

We believe, however, that **the 2% general rise in council tax can be avoided**. The Council received a dividend of £2.697 million during the current year from its share in Newcastle Airport. We will use that money for the general fund in 2017/18, thus removing entirely the need for a 2% rise in council tax.

Furthermore, we believe that the available finances should be spent in a way that will really improve the state of the Borough and on those priorities which residents have shown us are important to them. In survey after survey, and through our own Member Enquiries, the appalling state of our roads and pavements has shown itself to be possibly the most important issue to residents, especially the elderly and disabled who are afraid of tripping and falling, and motorists who risk damage to their cars.

The second major part of our budget, therefore, is to **massively increase spending on roads and pavements**. The Council should be mindful that it is spending residents'

money and that its spending priorities should mirror theirs. The balance of the Airport dividend will be used in this way, as will a reduction in the cost of the Council magazine. Spending on the magazine has reduced very little despite the Mayor's pledge to axe it, a pledge she has failed to keep. We propose reducing it to two editions per year, saving £25,000. We will also put into the roads and pavements fund a reduction of 50% of the cost of Trade Union facility time, which currently stands at £208,000 per year. The Labour Group has got its priorities wrong. We will reduce spending on the Mayor's office and the Policy Department by 50% and the Communications Department by 25% – these savings do not affect front line services and will then be used to finance a fund of £2.6million to be spent on improving our roads and pavements, making a total of £3.8 million for this much needed work. These huge investments and proactive approach will save money in the long term as the need for ongoing repairs due to the half hearted, reactive patching up of potholes and pavements will be removed. The Conservatives have faith in our area and a real commitment to our success – this investment will get the Borough ready to attract new businesses and will complement the huge Government investment already made in our borough through such road schemes as Billy Mill, Norham Road and Silverlink junction.

Additionally, the sum of £175,000 which has recently become available as set out in the Mayor's Final Amendments letter should, we propose, be used for the environment, dementia day care, and establishing a fund to review parking charges, with the intention of considering the feasibility of introducing disc parking and providing additional free parking in town centres.

We acknowledge the hard work of our officers in finding savings, more efficient ways of working and service delivery improvements and we note that resident satisfaction with those services has risen. We would urge the Mayor and Cabinet to encourage officers to come up with new innovative ideas, ways of earning money rather than simply spending it. To this end we would like to see the Trading Company which was set up by the last Conservative administration utilised more fully and used commercially to bring in new finance to the Council.

We would also like to see increased efforts to persuade businesses to relocate to our area – the Government is keen to boost growth here and encourage businesses to move north.

We urge the Mayor to give serious consideration to renegotiating the various PFI deals the Council is party to, given that the cost of borrowing has fallen so drastically. The local Healthcare Trust has renegotiated one such deal and we suggest that feasibility work is done to see if this could be of advantage to North Tyneside Council – we believe there may be the potential to realise huge savings as a result. Such work should start immediately.

We suggest also that the Mayor should review last year's decision to massively increase the cost of Foreshore Parking Permits. The cost rose from £50 to £250 per year, and, as we predicted, sales have fallen dramatically. We suggest that the cost should be reduced to £100 per year, a figure which still provides good value but which will meet residents' needs, without reducing council income.

Similarly, we question the Labour administration’s decision to spend £27,367 on a brand new civic car – we feel few, if any, residents would consider this an acceptable use of taxpayers’ money. In addition, money is spent each year by the Mayor’s office organising and publicising the Mayor’s “Listening Events”, which many residents feel are simply PR exercises for the Mayor and Labour colleagues. We suggest an alternative arrangement which would allow residents to access the Mayor but without incurring any additional expense. Councillors’ surgeries are held in every ward in the Borough, either in Council owned buildings or premises of which the cost of hire is met by the Council. We propose that the Mayor rotates around the different ward surgeries to be available to residents – the advertising of this could be easily done through the Customer Service Centres, on the Council website and perhaps the two Labour MPs could advertise the dates in their weekly “News Guardian” columns. The money saved from scrapping the Mayor’s Listening Events could then be ploughed back into the things residents really care about, such as roads and pavements.

In conclusion, we have removed the 2% council tax rise, and applied additional funds to hugely improving roads and pavements, using resources more wisely. We propose no cuts in front line services but a reduction in what many residents see as the vanity projects of the Council administration – the Mayor’s office, the Listening events, Policy and Communications Departments, with the money saved being repurposed to finance a once in a lifetime opportunity to create a roads and pavements fund which will have a massive impact on the quality of life of our residents without any loss of important frontline services. It’s their money – in spending it we should be guided by their priorities.

2.0 Conservative Group Resolution: Setting the Council Tax 2017/18

2017/18 Council Tax Requirement Resolution

2.1 The Conservative Group recommends that:

1. The recommended budgets of the Authority, be approved as noted below subject to the variations listed in paragraphs 2 and 3 below and notes the estimated allocation of £145.830m in Dedicated Schools Grant, for 2017/18:

	£
General Fund Revenue Budget	<u>152,360,276</u>
Total	<u>152,360,276</u>

2. The following levies be included in the net budget requirement:

	£
The Tyne and Wear element of the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Transport Levy	11,375,236
Tyne Port Health Authority	46,072
Environment Agency	185,117

Northumberland Inshore Fisheries and Conservation
Authority

	133,793
Total	<u>11,740,218</u>

3. The contingency provision be set as follows:

	£
Contingency Provision	1,377,000
Total	<u>1,377,000</u>

4. The following individual objections are proposed to be incorporated within the Authority's Budget.

Growth

Item		£
1.	Revenue costs of additional borrowing for Roads and Pavements included in the 2017-2020 Investment Plan	208,110
2.	Revenue contribution to Roads and Pavements	129,000
3.	Additional grass cutting and environmental works	68,000
4.	Increase budget for Dementia Day Care	50,000
5.	Parking Review	57,000
	If All Objections are accepted the Total Growth will be	512,110

Savings

Item		
6.	Reduce budgets in the Elected Mayor's office by 50%	(72,053)
7.	Reduce budgets in the Corporate Policy team by 50%	(107,296)
8.	Reduce budgets in the Communications team by 25%	(28,761)
9.	Reduce additional Contingency Budget	(175,000)
10.	Reduce Trades Union Facility Time	(104,000)
11.	Reduce the council magazine to 2 issues/annum	(25,000)
12.	Use of Airport Dividend	(1,606,345)
	If All Objections are accepted the Total Savings will be	(2,118,455)

Final Local Government Finance Settlement 2017/18

The Final Local Government Finance Settlement for 2017/18 was due to be announced on 9 February 2017, however, it has been delayed due to other priorities in the Parliamentary timetable and is not expected until 22 February 2017.

Historically there have been minimal changes to the North Tyneside Council financial position between the provisional and final Settlement. There is nothing to indicate this would be any different for 2017/18.

It is on this basis that, it is the opinion of the Chief Finance Officer that the budget can be set by the Council at the meeting on the 16 February 2017.

Any changes arising from the Settlement will be managed as in year changes during 2017/18 and reported as part of the financial management process.

5. Note that at its meeting held on 25 January 2017 Cabinet agreed the Council Tax Base for 2017/18 for the whole Authority area as 58,202 (Item T) in the Formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act") and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
6. Agree that the Council Tax requirement for the Authority's own purposes for 2017/18 is £82,796,419, as set out below.

2017/18 Council Tax Requirement for North Tyneside Council

	£	£
2017/18 Budget Requirement		150,753,931
Financed by:		
Revenue Support Grant	(22,595,997)	
Retained Business Rates	(225,801,913)	
Business Rates Top Up	(19,189,107)	
Council Tax Collection Fund Surplus	(370,495)	(67,957,512)
Council Tax Requirement		82,796,419

Agrees that the following amounts now calculated by the Authority for the year 2017/18 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended (the Act):

- (a) £347,450,458 Being the aggregate of the amounts which the Authority estimates for the items set out in Section 31A(2) of the Act.
- (b) £264,654,039 Being the aggregate of the amounts which the Authority estimates for the items set out in Section 31A(3) of the Act.
- (c) £82,796,419 Being the amount by which the aggregate at 6(a) above exceeds the aggregate at 6(b) above, calculated by the Authority in accordance with Section 31(A)(4) of the Act,

as its Council Tax requirement for the year (Item R in the formula in Section 31B of the Act).

- (d) £1,422.57 Being the amount at 6(c) above (Item R), all divided by Item T (4 above), calculated by the Authority, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

(e) North Tyneside Council Valuation Bands

Council Tax Band	£
A	948.38
B	1,106.44
C	1,264.51
D	1,422.57
E	1,738.70
F	2,054.82
G	2,370.95
H	2,845.14

being the amounts given by multiplying the amount at 6(e) above by the number which, in the proportion set out in Section 5(1) of the Act 1992, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Authority, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

(f) Police and Crime Commissioner for Northumbria Valuation Bands

Note that for the year 2017/18 the Police and Crime Commissioner for Northumbria have issued the following amounts in precepts to the Authority, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings in the Authority's area as indicated below:

Council Tax Band	£
A	65.55
B	76.48
C	87.40
D	98.33
E	120.18
F	142.03
G	163.88
H	196.66

(g) Tyne & Wear Fire and Rescue Authority Valuation Bands

Note that for the year 2017/18 the Tyne and Wear Fire and Rescue Authority have issued the following amounts in precepts to the Authority, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings in the Authority's area as indicated below:

Council Tax Band	£
A	51.75
B	60.37
C	69.00
D	77.62
E	94.87
F	112.12
G	129.37
H	155.24

(h) Total Valuation Bands

That, having calculated the aggregate in each case of the amounts at 6(e), 6(f) and 6(g) above, the Authority, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2017/18 for each part of its area and for each of the categories of dwellings shown below:

Council Tax Band	£
A	1,065.68
B	1,243.29
C	1,420.91
D	1,598.52
E	1,953.75
F	2,308.97
G	2,664.20
H	3,197.04

7. The Authority's basic amount of council tax for 2017/18 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, as amended.
8. The Authority's Financial Regulations will apply to the financial management of this budget.

9. The level of contingencies will be £1.202m as pressures incurred during 2016/17 have been recognised as part of the 2017/18 Financial Planning and Budget process.
10. It is proposed that virement levels and approvals for virement shall be in accordance with the rules set down in the Authority's Financial Regulations in force at the time.
11. The Reserves and Balances Policy as set out in the report to full Council on 2 February 2017, is adopted as set down and is subject to review at least annually.
12. The Chief Executive, in consultation with the Elected Mayor, Deputy Mayor, Cabinet Member for Finance and Resources and the Senior Leadership Team be authorised to manage the overall Creating a Brighter Future Programme and note that decisions made under this delegated authority will be reported to Cabinet as part of the regular budget monitoring information provided.
13. The Chief Executive, in consultation with the Elected Mayor and Head of Finance authorise the purchase of properties, on the open market, providing value for money is demonstrated and the cost can be contained within existing financial resources of the Authority. This is to ensure the programme of delivery of affordable homes and homes at market rent is progressed in line with the Cabinet's priorities.
14. The Head of Finance be authorised to serve notices, enter into agreements, give receipts, make adjustments, institute proceedings and take any action available to the Authority to collect or enforce the collection of non-domestic rate and Council Tax from those persons liable.
15. The Head of Finance be authorised to disburse monies from funds and accounts of the Authority as required for the lawful discharge of the Authority's functions.
16. Agree that the Police and Crime Commissioner for Northumbria and the Tyne and Wear Fire and Rescue Authority receive payment from the Collection Fund in 12 equal instalments on the last working day of each month.
17. Payments from the Collection Fund to be made to the Authority's General Fund in 12 equal instalments on the last working day of each month.

3.0 INVESTMENT PLAN 2017-2020

3.1 The Conservative Group recommends that the following amendments be incorporated within the 2017-2020 Investment Plan:

Additional Growth:	£
Additional funding for investment in Roads and Pavements (funded by borrowing)	2,601,375
Additional funding for Roads and Pavements (funded from the balance of the Airport dividend)	1,090,655
Additional funding for Roads and Pavements (funded from the saving from the Trades Union and Council Magazine budget reduction)	129,000
Total Additional Growth	3,821,030

The Investment Plan for 2017-2020 including these changes is attached as **Appendix A(i)**.

3.2 Draft Prudential Indicators

The indicators have been amended to reflect the changes to the Investment Plan set out in section 3.1 above and the revenue impact of the changes.

Appendix A(ii) sets down the draft Prudential Indicators as calculated and proposed for North Tyneside Council for 2017–2020.

4.0 EQUALITIES IMPACT ASSESSMENT

An Equalities Impact Assessment has been completed and no negative impacts have been identified.

Council 16 February 2017

EV055	Surface Water Management Improvements	1,288	0	0	1,288	Council Contribution Environment Agency Grant	632 656
EV056	Additional Highways Maintenance	2,000	2,000	2,000	6,000	Council Contribution	6,000
DV048	Roads and Pavements	3,821	0	0	3,821	Council Contribution Revenue contribution	2,601 1,220
EV073	A1058 Coast Road Improvements to junctions	1,968	0	0	1,968	NELEP Growth Deal Council Contribution	1,751 217
EV077	A1056/A189 Weetslade junction imps	480	0	0	480	Section 278	480
EV078	A19 Employment Corridor access imps	3,177	0	0	3,177	NELEP Growth Deal Section 106	2,770 407
EV082	North Bank of the Tyne	2,610	1,915	0	4,525	NELEP Growth Deal	4,525
GEN12	Local infrastructure projects	90	100	100	290	Council Contribution	290
HS049	Northumberland Square	3,650	1,000	1,000	5,650	Council contribution	5,650
EV083	Streelighting LED	1,730	224	0	1,954	Council contribution	1,954
DV063	Coastal Properties	2,580	0	0	2,580	Council contribution	2,580

DV064	Property Development	3,000	900	0	3,900	Council contribution	3,900
DV065	North Shields Fisherman's Heritage Project	75			75	External contributions Council Contribution	37 38
CO074	All Our Histories - Libraries IT	53			53	Arts Council grant	53
CO075	Skate/BMX Park - The Parks Sports Centre	179			179	SUEZ Communities Trust Section 106 Council Contribution	44 125 10
	Total Great Place to live, work and visit	60,684	12,058	5,081	77,823		77,823
	<u>Cared for, Safeguarding and Healthy</u>						
	-						
CO064	- Community Capacity (Adult Social Care) -	1,000	0	0	1,000	Department of Health grant	1,000
HS003	Private Sector Homes Renovation	605	200	0	805	Council Contribution	805
HS004	Disabled Facility Grants	1,517	1,517	0	3,034	Council Contribution Better Care Fund	420 2,614
HS036	North Tyneside Warm Zone	100	42	0	142	Council Contribution	142
	Total Cared for, Safeguarding and Healthy	3,222	1,759	0	4,981		4,981

	<u>Corporate and Enabling</u>						
EV069	Vehicle Replacement	1,209	1,899	962	4,070	Council Contribution	4,070
EV076	Depot rationalisation	7,623	5,252	0	12,875	Council contribution	12,875
GEN03	Contingency Provision	1,542	1,000	1,000	3,542	Council Contribution	3,542
IT020	ICT Strategy	1,300	1,000	1,000	3,300	Council Contribution	3,300
IT025	BDUK (Broadband)	34	75		109	Council Contribution	109
IT026	ICT citizen interaction and self serve	1,800	0	0	1,800	Council Contribution	1,800
	Total Corporate and Enabling	13,508	9,226	2,962	25,696		25,696
	<u>Ready for School and Work</u>						
ED075	Devolved Formula Capital	589	0	0	589	Education Funding Agency	589
ED120	Basic Need	167	0	0	167	Education Funding Agency	167
ED132	School Capital Allocation	3,612	0	0	3,612	Education Funding Agency	3,612
ED186	Backworth Park Primary - relocation and expansion	2,942	1,701	0	4,643	Section 106	4,471

						Basic Need Grant	165
						Council Contribution	7
	Total Ready for School and Work	7,310	1,701	0	9,011		9,011
	TOTAL: GENERAL FUND	84,724	24,744	8,043	117,511		117,511
	<u>HOUSING</u>						
	-						
	<u>Great Place to live, work and visit</u>						
HS015	Refurbishment / Decent Homes	18,299	20,219	18,633	57,151	Revenue Contribution	16,909
HS017	Disabled Adaptations (HRA)	1,020	1,030	1,041	3,091	Capital Receipts	6,315
HS039	ICT Infrastructure Works	284	287	429	1,000	Major Repairs Reserve (MRR)	46,041
HS044	HRA New build	6,446	2,608	2,687	11,741	House Building Fund	3,558
						Dept of Health grant	160
	Total: HOUSING	26,049	24,144	22,790	72,983		72,983
	TOTAL INVESTMENT PLAN	110,773	48,888	30,833	190,494		190,494

GENERAL FUND

Council contribution	49,899	14,825	7,230	71,954
Capital Receipts	0	380	380	760
Revenue Contribution	1,220	0	0	1,220
Grants & Contributions	33,605	9,539	433	43,577
	84,724	24,744	8,043	117,511

HOUSING

Capital Receipts	663	2,847	2,805	6,315
Revenue Contribution	6,818	5,955	4,136	16,909
Contribution from Reserves (House Building Fund)	3,558	0	0	3,558
Grants & Contributions	160			160
Major Repairs Reserve	14,850	15,342	15,849	46,041

26,049	24,144	22,790	72,983
110,773	48,888	30,833	190,494

2017-2020 Prudential Indicators

Introduction

- 1.0 The Local Government Act 2003 requires the Authority to adopt the CIPFA Prudential Code and produce prudential indicators. Each indicator either summarises the expected capital activity or introduces limits upon that activity, and reflects the outcome of the Authority's underlying investment appraisal systems.
- 1.1 Within this overall prudential framework there is an impact on the Authority's treasury management activity as it will directly impact on borrowing and investment activity. The Treasury Management Strategy for 2017/18 is included in the annex to the report.
- 1.2 The Prudential Code requires the following matters to be taken into account when setting or revising the prudential indicators:
 - a) Service Objectives – e.g. strategic planning for the Authority
 - b) Stewardship of assets – e.g. asset management strategy
 - c) Value for money – e.g. options appraisal
 - d) Prudence and sustainability – e.g. implications of external borrowing
 - e) Affordability – e.g. impact on Council Tax
 - f) Practicality – e.g. achievability of the forward plan
- 1.3 Matters of affordability and prudence are primary roles for the Prudential Code.
- 1.4 The revenue consequences of capital expenditure, particularly unsupported capital expenditure, must to be paid for from the Authority's resources.
- 1.5 Capital expenditure can be paid for through capital receipts, grants etc, but if these resources are insufficient then any residual capital expenditure will add to the Authority's borrowing need.
- 1.6 The key risks to the plans are that the level of external funding has been estimated in some projects and therefore may change. Similarly some estimates for other sources of funding, such as capital receipt levels, may change as capital receipts are reliant on an active property market.
- 1.7 In total there are fifteen prudential indicators, covering:
 - Affordability;
 - Prudence;
 - Capital expenditure;
 - External debt; and
 - Treasury management.
- 1.8 Prudential indicators are required to be set by full Council as part of the Financial Planning and Budget process. Any revisions must be reported through the financial management process.

- 1.9 The prudential indicators for the forthcoming and future years must be set before the beginning of the forthcoming year. They may be revised at any time, following due processes and must be reviewed, and revised if necessary, for the current year when the prudential indicators are set for the following year.
- 1.10 The following sets down the draft Prudential Indicators as calculated and proposed for North Tyneside Council for 2017–2020. The indicators include those for the Housing Revenue Account.

Prudential Indicators for Affordability

- 1.11 The fundamental objective in considering affordability of the Authority’s Investment Plan is to ensure that the total capital investment of the Authority remains within sustainable limits, and in particular to consider the impact on the “bottom line” and hence Council Tax and Housing rents. Affordability is ultimately determined by a judgement on acceptable Council Tax or housing rent levels.
- 1.12 In considering the affordability of its Investment Plan, the Authority is required to consider all the resources that are currently available, and estimated for the future, together with the totality of the Investment Plan, revenue income and revenue expenditure forecasts for the forthcoming year and following two years (as a minimum). The Authority is also required to consider known significant variations beyond this timeframe. This requires the development of rolling revenue forecasts as well as capital expenditure plans. In line with the Financial Plan, three-year forecasts have been provided for the prudential indicators.
- 1.13 When considering affordability, risk is an important factor to be considered. Risk analysis and management strategies should be taken into account.
- 1.14 Looking ahead for a three year period, the following are key prudential indicators of affordability:
- the ratio of financing costs to net revenue stream for both the Housing Revenue Account (HRA) and non-HRA services; and
 - the incremental impact on council tax and housing rents. The scope for increases in both these elements is governed by the Government’s ability to limit increases.

Ratio of financing costs to net revenue stream

- 1.15 This indicator identifies the trend in the cost of capital (predominately external interest and MRP) as a proportion of the net revenue budget for the General Fund and housing income for the HRA and is shown in Table 1 below:

Table 1: Ratio of Financing Costs to Net Revenue Stream

	2016/17	2017/18	2018/19	2019/20
	Est.	Est.	Est.	Est.
General Fund	13.67%	11.72%	18.73%	20.42%
HRA	27.46%	30.39%	27.22%	27.93%

- 1.16 The above indicator shows costs for all borrowing, both supported and unsupported. It also includes the financing costs of PFI schemes and leases. To enhance the information available for decision-making we have also provided a local indicator to show the proportion of the budget that is spent on unsupported borrowing. This is shown in Table 2 below:

Table 2: Ratio of Financing Costs for prudential (unsupported) borrowing to Net Revenue Stream

	2016/17	2017/18	2018/19	2019/20
	Est.	Est.	Est.	Est.
General Fund	7.80%	9.61%	12.02%	12.86%
HRA	6.22%	7.69%	4.28%	4.51%

- 1.17 The cost of capital related to past and current capital programmes has been estimated in accordance with proper practices. Actual costs will depend on the phasing of capital expenditure and prevailing interest rates, and will be closely managed and monitored on an ongoing basis. Any reprogramming in the Investment Plan, whether planned or unplanned, may delay the impacts of debt financing costs to future years.

Incremental impact of new capital investment decisions on council tax and housing rents

Council Tax

- 1.18 This indicator represents an estimate of the incremental impact of new capital investment decisions on the annual Council Tax (Band D). It is intended to show the effect on Council Tax of approving the additional capital expenditure.
- 1.19 Revenue budget impacts may arise from the following:

- Interest from the use of external borrowing;
- Set aside of Minimum Revenue Provision (MRP);
- Revenue running costs or savings; and,
- Direct revenue contributions to capital expenditure

Table 3: Estimates of incremental impact of new capital investment decisions on Council Tax

	General Fund
2017/18	£10.94
2018/19	£39.25
2019/20	£54.96

- 1.20 These figures are notional and in practice the incremental costs of borrowing for the capital programme are incorporated into the calculations for the revenue budget build

up along with all other proposed budget increases and savings, and are considered as part of an overall package of affordability.

Housing rents

1.21 This indicator represents an estimate of the incremental impact of new capital investment decisions on average weekly housing rents.

1.22 Revenue budget impacts may arise from the following:

- Direct revenue contributions to capital expenditure;
- Use of the Major Repairs Allowance (MRA);
- Interest from the use of external borrowing;
- Amounts set aside for the repayment of debt; and,
- Revenue running costs or savings.

Table 4: Estimates of incremental impact of new capital investment decisions on weekly housing rents

	HRA
2016/17	£1.74
2017/18	(£0.49)
2018/19	(£1.73)

1.23 These figures are notional and in practice the incremental costs of borrowing for the HRA capital programme are incorporated into the calculations for the HRA budget build up along with all other proposed budget increases and savings, and are considered as part of an overall package of affordability.

Prudential Indicators for Prudence

1.24 A key indicator of prudence is that, over the medium term, gross debt will only be used for a capital purpose. Under the Code the underlying need to borrow for a capital purpose is measured by the Capital Financing Requirement (CFR). Gross debt includes external borrowing and also other liabilities including PFI schemes and Finance Leases.

Gross debt and Capital Financing Requirement (CFR)

1.25 This key indicator shows that gross debt is not expected to exceed the total CFR including additional capital requirements for 2016/17 to 2019/20.

Table 5: Gross external debt compared to CFR

	2016/17	2017/18	2018/19	2019/20
	Est.	Est.	Est.	Est.
	£'000s	£'000s	£'000s	£'000s
External Borrowing	487,517	526,324	526,343	517,264

Other Liabilities (including PFI and Finance Leases)	136,483	133,008	131,211	127,558
Total Gross debt	624,000	659,332	657,554	644,822
Capital Financing requirement	655,792	691,328	687,547	676,713

Prudential Indicators for Capital Expenditure

Estimate of capital expenditure

- 1.26 This indicator requires reasonable estimates of the total capital expenditure to be incurred during the current financial year and at least the following three financial years.
- 1.27 The Investment Plan for 2017-2020 is included in the annex to the report and the figures below are based on that report. A full breakdown of individual projects is shown in Appendix C (i).

Table 6: Capital Expenditure

	2016/17	2017/18	2018/19	2019/20
	Estimate £000's	Estimate £000's	Estimate £000's	Estimate £000's
General Fund	50,838	84,595	24,744	8,043
HRA	23,398	26,049	24,144	22,790
Total	74,236	110,644	48,888	30,833

- 1.28 There is a risk of cost variations to planned expenditure against the Investment Plan, arising for a variety of reasons, including tenders coming in over/under budget, changes to specifications, slowdown/acceleration of project phasing. There is also the possibility of needing to bring urgent and unplanned capital works into the Investment Plan. These risks are managed by project officers on an ongoing basis, by means of active financial and project monitoring, they will be overseen by the Investment Programme Board and any changes will be made in accordance with Financial Regulations.
- 1.29 The availability of financing from capital receipts, grants and external contributions also carry significant risks. These risks are particularly relevant to capital receipts, where market conditions are a key driver to the flow of funds, causing problems in depressed or fluctuating market conditions. There is a much reduced reliance on capital receipts in the proposed plan.

Estimate of Capital Financing Requirement (CFR)

- 1.30 The CFR can be understood as the Authority's underlying need to borrow money long term for a capital purpose. The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital

resources. The CFR will increase annually by the amount of capital expenditure which is not immediately paid for by grants, contributions, direct revenue funding or capital receipts. The General Fund CFR will also be reduced each year by the amount of Minimum Revenue Provision (MRP) that is set aside in the revenue budget. In addition, the CFR may be reduced by additional voluntary contributions in the form of capital receipts or revenue contributions. The HRA business plan includes provision to reduce the HRA CFR in this way.

1.31 The CFR also includes any other long term liabilities eg PFI schemes and finance leases.

1.32 In accordance with best professional practice the Authority does not associate borrowing with particular items or types of expenditure. The Authority has a number of daily cash flows, both positive and negative, and manages its treasury position in terms of its borrowing and investments in accordance with the approved Treasury Management Strategy. In day to day cash management no distinction can be made between revenue cash and capital cash. Over the long term external borrowing may only be incurred for capital purposes.

Table 7: Capital Financing Requirement

	2016/17 Est. £000's	2017/18 Est. £000's	2018/19 Est. £000's	2019/20 Est. £000's
General Fund	299,682	340,553	339,910	332,549
HRA	356,110	350,775	347,637	344,164
Total	655,792	691,328	687,547	676,713

1.33 The above indicator shows the total borrowing requirement, both supported and unsupported. To enhance the information available for decision-making we have provided a local indicator to show the Capital Financing Requirement for unsupported borrowing. This is shown in Table 8 below:

Table 8: Capital Financing Requirement for Unsupported Borrowing

	2016/17 Est. £000's	2017/18 Est. £000's	2018/19 Est. £000's	2019/20 Est. £000's
General Fund	154,830	191,719	193,936	189,445
HRA	35,636	31,746	30,131	28,329
Total	190,466	223,465	224,067	217,774

Prudential Indicators for External Debt

Authorised limit for total external debt

- 1.34 For the purposes of this indicator the authorised limit for external debt is defined as the authorised limit for borrowing plus the authorised limit for other long term liabilities.
- 1.35 This indicator requires the Authority to set, for the forthcoming financial year and following years, an authorised limit for total external debt, separately identifying borrowing from other long term liabilities such as PFI and Finance Leases.
- 1.36 The authorised limit represents the maximum amount the Authority may borrow at any point in time in the year. It has to be set at a level the Authority considers is “prudent” and has to be consistent with the plans for capital expenditure and financing.
- 1.37 This limit is based on the estimate of the most likely, but not worse case, scenario with additional headroom to allow for operational management, for example unusual cash movements.
- 1.38 Full Council will be requested to approve these limits and to delegate authority to the Chief Finance Officer, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities, in accordance with option appraisal and best value for money for the Authority.
- 1.39 Any such changes made will be reported to the Cabinet at its next meeting following the change.

Table 9: Authorised Limit for External Debt

	2016/17 £000's Est.	2017/18 £000's Est.	2018/19 £000's Est.	2019/20 £000's Est.
Borrowing	1,080,000	1,126,000	1,126,000	1,106,000
Other Long Term Liabilities	160,000	160,000	160,000	160,000
Total	1,240,000	1,286,000	1,286,000	1,266,000

- 1.40 The Chief Finance Officer reports that these Authorised Limits are consistent with the Authority's current commitments, existing plans and the proposals in this 2017/18 budget report for capital expenditure and financing, and in accordance with its approved Treasury Management Policy Statement and Practices.

Operational Boundary for total external debt

- 1.41 The proposed operational boundary is based on the same estimates as the authorised limit. However, it excludes the additional headroom which allows for unusual cash movements.
- 1.42 The operational boundary represents a key management tool for in year monitoring by the Chief Finance Officer. Within the operational boundary, figures for borrowing

and other long term liabilities are identified separately. Full Council will be requested to delegate authority to the Chief Finance Officer, within the total Operational Boundary for any individual year, to effect movement between the separately agreed figures for borrowing and other long-term liabilities, in a similar fashion to the Authorised Limit.

- 1.43 Any such changes will be reported to the Cabinet at its next meeting following the change.

Table 10: Operational Boundary for External Debt

	2016/17 £000's Est.	2017/18 £000's Est.	2018/19 £000's Est.	2019/20 £000's Est.
Borrowing	540,000	563,000	563,000	553,000
Other Long Term Liabilities	140,000	140,000	140,000	140,000
Total	680,000	703,000	703,000	693,000

HRA limit on indebtedness

- 1.44 Under the reforms of housing finance the Government published *Limits on Indebtedness Determination 2012* which set out the maximum amount of housing debt the Authority could have outstanding at any one time. The limit for North Tyneside was £290.824m. The HRA Capital Financing Requirement excluding the North Tyneside Living PFI scheme should be within the cap set. The table below confirms that the proposals remain within the cap set.

Table 11: HRA limit on indebtedness

	2016/17 £000's Est.	2017/18 £000's Est.	2018/19 £000's Est.	2019/20 £000's Est.
Gross HRA capital financing requirement	356,110	350,775	347,637	344,164
Less HRA PFI schemes	85,800	84,355	82,832	81,161
Adjusted HRA capital financing requirement	270,310	266,420	264,805	263,003
HRA limit on indebtedness	290,824	290,824	290,824	290,824

Prudential Indicators for Treasury Management

Adoption of the CIPFA Code of Practice for Treasury Management

- 1.45 The Authority has an integrated Treasury Management Strategy and has adopted the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. North Tyneside Council has, at any point in time, a number of cash flows, both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved Treasury Management Strategy and Practices.

Upper limits on interest rate exposure 2017/18 to 2019/20

- 1.46 Full Council will be requested to set an upper limit on its fixed interest rate exposures for 2017/18, 2018/19 and 2019/20 of 100% of its net outstanding principal sums.
- 1.47 Full Council will be requested to set an upper limit on its variable interest rate exposures for 2017/18, 2018/19 and 2019/20 of 50% of its net outstanding principal sums.
- 1.48 The proposals to set upper and lower limits for the maturity structure of the Authority's borrowings are as follows:

Table 12: Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate

	Upper Limit	Lower Limit
Under 12 months	50%	0%
12 months to 2 years	50%	0%
2 years to 5 years	50%	0%
5 years to 10 years	75%	0%
10 years to 20 years	100%	25%
20 years to 30 years	100%	25%
30 years to 40 years	100%	25%
40 years to 50 years	100%	25%

Table 13: Upper limit for total principal sums invested for over 364 days

	2017/18	2018/19	2019/20
% of Investments with Maturity over 364 days	25%	25%	25%

- 1.49 The above indicator sets the exposure of investments in excess of 364 days at no more than 25% of the portfolio.

North Tyneside Council
Report to Council
Date: 16 February 2017

Title: 2017-2020 Financial Planning and Budget Process: Liberal Democrat Group Critique
--

Report of: The Liberal Democrat Group

Wards affected: ALL

Liberal Democrat Group Critique for the 2017/18 General Fund Revenue Budget, the proposed Council Tax Level for 2017/18, the Investment Plan for 2017-2020 and the Treasury Management Statement and Annual Investment Strategy for 2017/18

1.0 Introduction

We object to the Elected Mayor and Cabinets proposals for the Budget for 2017/2018.

While acknowledging that difficult decisions need to be made while Central Government continues to make cuts in Local Government budgets.

Cuts have been made year on year, under at least the last four Governments. We confirm our belief that it is time for Central Government to realise the amount of hard work carried out by staff and the important services provided by or facilitated by local Government, we therefore ask the Elected Mayor to write to HM Government to make it quite clear the position North Tyneside is in. Many families in our area continue to suffer economic hardships. We would call on the Elected Mayor to review her proposals and prioritise to ensure protection of services particularly to children and young people and vulnerable adults.

We would draw attention to the following areas;

1. (page 3/5 & 22) Changes to Adult Social Care – Concerns if the proposed savings are achieved the service will be decreased.
2. (page 40 Environment, Housing and Leisure - This could increase homelessness
3. (Page 44) Pension Uplift and Pay Awards
4. (Page 53) PFI variations – No guarantee this will be achievable
5. (Pg 85/89) – Concern over some of the bereavement charges and increase in Ease Card, non ease card and swimming lessons and off peak swimming
6. Page 91/95 Managing our assets

We again would suggest that all parties should be prepared to work together and there should be all party monitoring of the budget especially in those areas of high risk.